

COVINGTON & BURLING LLP

1201 PENNSYLVANIA AVENUE NW
WASHINGTON, DC 20004-2401
TEL 202.662.6000
FAX 202.662.6291
WWW.COV.COM

BEIJING
BRUSSELS
LONDON
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SILICON VALLEY
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REDACTED – FOR PUBLIC INSPECTION

December 19, 2011

***Ex Parte* Notice**

Ms. Marlene H. Dortch
Secretary
Federal Communications Commission
445 Twelfth Street, S.W., TW-A325
Washington, D.C. 20554

Re: Connect America Fund, WC Docket No. 10-90; A National Broadband Plan for Our Future, GN Docket No. 09-51; Establishing Just and Reasonable Rates for Local Exchange Carriers, WC Docket No. 07-135; High-Cost Universal Service Support, WC Docket No. 05-337; Developing a Unified Intercarrier Compensation Regime, CC Docket 01-92

Dear Ms. Dortch:

This letter is submitted on behalf of TDS Telecommunications Corp. (“TDS Telecom”) in support of letters filed by the National Telecommunications Cooperative Association (“NTCA”) on December 14, 2011, and by CenturyLink, FairPoint Communications, Inc., Frontier Communications Corp., and Windstream Communications, Inc. (the “Price Cap Carriers”) that same day. Confidential data is provided herein under the protection of the Protective Order issued by the Commission on September 16, 2010.¹

In those letters, NTCA and the Price Cap Carriers urged the Federal Communications Commission (the “Commission”) to address discrepancies between the date on which a

¹ Protective Order, 25 FCC Rcd 13160 (2010) (the “Protective Order”).

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transition to “bill-and-keep” (*i.e.*, a zero rate) for the exchange of intraMTA traffic would take effect, the effective date of a Recovery Mechanism under the Commission’s new rules, and the effective date of reductions with respect to the exchange of other kinds of traffic. TDS Telecom agrees with the position expressed by the Price Cap Carriers that “[i]deally, the Commission should reduce rates for CMRS-LEC traffic” in accordance with the transition applying to all other terminating traffic, and, at a minimum, consistent with the position expressed by NTCA, “the effective date of rate reductions with respect to all LEC-CMRS intraMTA traffic [should] be paired (as all other rate reductions should be) with the effective date of the Recovery Mechanism.”

TDS further concurs with the comments of the Price Cap Carriers that there is good cause for the Commission to reconsider its conclusion that “the impact [of this change] is not significant” for incumbent local exchange carriers.

[BEGIN CONFIDENTIAL]



[END CONFIDENTIAL]

This data confirms the relative significance of LEC-CMRS intraMTA traffic as a component of intercarrier compensation revenues for local exchange carriers, and the need for a sensible transition of rates applicable to the exchange of such traffic. Indeed, it is striking that, even as the Commission speaks in its recent order of the need to eliminate arbitrage and avoid flash cuts, it has created a new system that would place this single category of traffic on a pedestal effective immediately. TDS Telecom therefore supports the request of the Price Cap Carriers and NTCA to treat LEC-CMRS intraMTA traffic the same as all other traffic for the duration of the applicable transition, or in the alternative and at a minimum, to delay the effectiveness of a zero-rated exchange of such traffic to July 1, 2012, when the Recovery Mechanism will take effect.


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Pursuant to Section 1.1206 of the Commission's rules, a redacted copy of this letter is being filed via ECFS. A confidential version of this letter, marked accordingly in accordance with the terms of the Protective Order in this docket, also is being submitted. Confidential treatment is required to protect the proprietary and confidential information provided herein. Pursuant to the terms of the Protective Order, one copy of the Stamped Confidential version of this filing and two copies of the Redacted version of this filing are submitted to your office, and two copies of the Stamped Confidential version are being sent to Lynne Hewlitt Engledow of the Wireline Bureau's Pricing Policy Division.

Thank you for your attention to this correspondence. If you have any questions, please do not hesitate to contact the undersigned.

Respectfully submitted,

A handwritten signature in black ink, appearing to read "Matthew S. DelNero", with a long horizontal flourish extending to the right.

Yaron Dori
Matthew S. DelNero
Counsel to TDS Telecom

cc: Lynne Hewlitt Engledow

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